



# **MEMORANDUM OF UNDERSTANDING**

**FUNDRAISING REGULATOR**

**AND**

**INSTITUTE OF FUNDRAISING**

**Agreed date: March 2018**

## **Section 1 - Purpose of Memorandum**

- 1.1 This Memorandum provides a framework for working between the Fundraising Regulator (“the Regulator”) and the Institute of Fundraising (“the IoF”) to assist in their respective functions in the following ways:
- to promote a common understanding of the Regulator and the IoF’s respective responsibilities and procedures.
  - to promote co-operation between the Regulator and the IoF’s staff at a strategic and operational level;
  - to facilitate the disclosure of information with the objective of preventing, detecting and remedying poor fundraising practice within fundraising organisations; and
  - to ensure appropriate consultation on matters of relevant and significant policy initiatives to ensure that fundraisers comply fully with their legal obligations and adopt best practice in fundraising.

## **Section 2 - The Role and Function of the Fundraising Regulator**

- 2.1 The Fundraising Regulator was launched in July 2016 as the voluntary regulatory body for all charitable fundraising in the UK undertaken by charities registered in England and Wales<sup>1</sup>.
- 2.2 The mission of the Regulator is to carry out an independent and non-statutory regulatory role in a way that –
- Promotes and supports a culture of ethical fundraising, protecting the public, donors and potential donors, not least those who may be vulnerable, and creating a positive donor experience.
  - Provides redress for donors when things go wrong.
  - Enhances and sustains public confidence in charitable fundraising and charities.
  - Ensures the highest fundraising standards across the UK.

- 2.3 The Regulator’s general functions are:

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<sup>1</sup> For further information on the regulation of Charities registered in Scotland and Northern Ireland, see <https://www.fundraisingregulator.org.uk/about/regulation-in-scotland-and-northern-ireland/>

- owning and updating the Code of Fundraising Practice and the Rulebooks on Street Fundraising and Door-to-door Fundraising.
- investigating complaints from the public about fundraising practice, where these cannot be resolved by the charities themselves.
- investigating cases where fundraising practices have led to significant public concern.
- operating a fundraising preference service to enable individuals to opt out of further contact from charities.
- providing support and advice to the sector on good practice in relation to fundraising.

### **Section 3 - The Role and Function of the Institute of Fundraising**

- 3.1 The Institute of Fundraising is the professional membership organisation for UK fundraising. It operates across the UK through a network of national, regional and special interest groups and has offices in Cardiff, Edinburgh and London.
- 3.2 The IoF's vision is *Excellent fundraising for a better world*, and its mission is to support fundraisers, through leadership, representation, advice and educations, and by championing and promoting the fundraising profession.
- 3.3 The IoF seeks to improve the environment for fundraisers through policy and support. It increases understanding by providing insight and resources for fundraisers and the general public, and it enables fundraisers to be the best they can be by providing training, skills development and qualifications.

### **Section 4 – The Code of Fundraising Practice**

#### **Historical context for the transfer of the Code of Fundraising Practice**

- 4.1 The Code of Fundraising Practice and its associated rule books for street and door fundraising outline the standards expected of all charitable fundraising organisations across the UK. The standards were developed by the fundraising community through the work of the Institute of Fundraising (IoF) and Public Fundraising Association (PFRA).
- 4.2 In 2015, a Review of Fundraising Regulation chaired by Sir Stuart Etherington identified a need for responsibility for the Code and the rule books to be transferred to a new Fundraising Regulator to safeguard the independence of fundraising regulation.

- 4.3 The Code and the rule books were formally transferred to the Fundraising Regulator by Deed of Assignment ('the Deed') at its launch on 7th July 2016.
- 4.4 The Fundraising Regulator's Standards Committee oversees the development of the Code of Fundraising Practice and its associated rule books.

### **Credit**

- 4.5 The FR shall use its reasonable endeavours to ensure that the FR's website from which the Code is made available, and the printed version of the Code produced by the FR include the following credit appearing, as written/ printed text in a visible and prominent position: "The Fundraising Regulator recognises the important contribution made by the Institute of Fundraising in developing the Code of Fundraising Practice (or any alternative name that is given to the Code)". The FR shall comply with this Condition for a period of ten years following signature of the Deed or until the Code ceases to reproduce a substantial part of the IoF Code, whichever period is longer.

### **Consultation**

- 4.6 Where there are consultations on proposed changes to the Code, the FR shall consult the IoF on such proposals in good time before engaging in any wider consultation and shall then also include the IoF in such wider consultation.

### **Guidance on the Code**

- 4.7 The IoF shall be the exclusive partner to produce official non-legal guidance for fundraisers on the Code ("Guidance") and shall be publically referred to as the 'Official Partner' in relation to producing the Guidance. The IoF hereby grants a non-exclusive licence to the FR to use Guidance (and any other official guidance for fundraisers, produced by the IoF, on the IoF Code that existed as at 7 July 2016) provided that use of such guidance by the FR shall not be misleading and the IoF shall have the right to revoke this licence if in the IoF's reasonable opinion use of such guidance by the FR is misleading. For the avoidance of doubt, the FR shall not acquire any proprietary or exclusive rights in such guidance as a result of this clause and the FR hereby assigns (including by present assignment of future rights) all goodwill in such guidance that may accrue to the FR as a result of its use of such guidance following signature of this Deed.

### **Licence to use extracts from the Code**

- 4.8 The FR grants a non-exclusive licence to the IoF to include a reasonable number of extracts from the Code in the Guidance as is agreed with the FR in writing in advance, provided that extracts from the Code made or authorised

by the IoF shall not be misleading and the FR shall have the right to revoke this licence in such circumstances. The Guidance may be published by the IoF, including on the IoF's website.

- 4.9 For the avoidance of doubt, the IoF shall not acquire any proprietary or exclusive rights in the Code as a result of this clause and the IoF hereby assigns (including by present assignment of future rights) all goodwill in the Code that may accrue to the IoF as a result of its use of the Code in the Guidance following the signature of the Deed.

### **Liaison over development of the Code and Face-to-Face rulebooks**

- 4.10 An IoF observer will attend each meeting of the Standards Committee. The role of the observer will be to:
- provide historical knowledge and context for developments to the Code of Fundraising Practice and the Face-to-Face rulebooks prior to their transfer on 7<sup>th</sup> July 2016.
  - provide current knowledge to help ensure that the code and rulebooks continues to reflect and be informed by contemporary fundraising practices.
  - act as an official point of contact for the IoF membership in stakeholder consultations on Code and rulebook changes.
- 4.11 The FR shall give the IoF five business days' notice of any proposed changes to the Code and /or rulebooks prior to publication of such proposals, unless exceptional circumstances require shorter notice.

### **Section 5 - Liaison over casework**

- 5.1 An IoF observer will attend each meeting of the Casework & Investigations Committee. The role of the observer will be to:
- provide current knowledge to help ensure that any discussions are informed by contemporary fundraising practices.
  - act as an official point of contact for the IoF membership in relation to issues arising from casework and investigations.

### **The Fundraising Regulator**

- 5.2 Where an investigation is carried out on a fundraising organisation that is also a member of the Institute and a report is published, the Fundraising Regulator will (subject to the Regulator obtaining the necessary consent of the parties concerned) send a draft copy to the Institute in advance of the report being

made public to give the Institute an opportunity to provide feedback The Fundraising Regulator will share with the IoF quarterly casework examples and more detailed casework as and when where we consider there to be systemic or significant issues raised.

- 5.2 The FR shall give the IoF five business days' notice prior to publication of the results of any investigations conducted by the FR, unless exceptional circumstances require shorter notice.

### **The Institute of Fundraising**

- 5.3 To enable the Fundraising Regulator to be aware of when a fundraising organisation is a member of the IoF, the IoF will send the Fundraising Regulator an organisational and corporate membership update when requested.

### **Section 6 – Compliance**

- 6.1 The Regulator and the Institute will work to support fundraiser compliance with the Fundraising Regulator's Code of Practice and associated rulebooks.
- 6.2 This includes:
- Sharing information where evidence of new fundraising practices or compliance issues may require additional support to the sector
  - Collaborating on compliance campaigns to raise awareness where poor fundraising practice poses a risk to the public or to the reputation of charities
  - Advancing compliance knowledge and skills through events, workshops, guidance and other sector engagement tools
- 6.3 The Regulator will work with the IoF as it develops new training courses, or online modules, designed to improve compliance with the Code, including training on complaints handling based on FR guidance and on managing third parties. Where appropriate it will then encourage organisations to engage with the training as developed.

### **Section 7 – Collaboration and support**

#### **Policy**

- 7.1 The Regulator and the IoF are committed to appropriate liaison on policy matters which are likely to have an impact upon the work of the other such as

any new legislation, development of any new policy or relevant guidance, or policy arising in the context of novel or complex cases.

### **Training**

- 7.2 As part of their respective staff training programmes, both the Regulator and the IoF will ensure that staff are made aware of the differing organisational, operational and legal frameworks.
- 7.3 In order to support outreach and promote the highest standards in fundraising, the Regulator and the IoF will explore opportunities to co-operate on presentations and seminars that aim to raise the profile of the work of the Regulator and the role the IoF plays in supporting fundraisers and fundraising organisations to comply with standards.

### **Research and communication**

- 7.4 The Regulator and the IoF will inform each other of emerging trends identified in their research, and will agree strategies for the dissemination of advice and best practice. Where appropriate we will also consider collaboration to produce research relating to fundraising that are of a mutual interest and of wide public and sectoral interest.
- 7.5 Where appropriate we will collaborate on external communications or handling external media interest where there is a matter of mutual interest. We will also consider working jointly in order to raise awareness of fundraising issues and matters of interest to the general public.

### **Section 8 - Liaison**

- 8.1 In order to ensure that matters are handled at the appropriate level, contact between the Regulator and the Institute should be established between designated points of contact. Where they consider it appropriate, designated points of contact may delegate ongoing liaison to other members of staff.

<b>Area of Liaison</b>	<b>Fundraising Regulator</b>	<b>Institute of Fundraising</b>
Development of strategic policy	Chief Executive	Chief Executive
Development of operational policy, issues specific to Scotland and Wales, legal issues and all operational liaison.	Head of Policy & Communications	Director of Engagement & External Affairs
Compliance issues	Head of Policy & Communications	Director of Membership, Compliance & Professional Development
Casework issues	Head of Casework	Director of Engagement & External Affairs
Communications and media	Communications Officer	Head of Policy & External Affairs

## **Section 9 - External enquiries**

- 9.1 In order to ensure that enquiries are handled by the appropriate organisation, enquirers will, where relevant, be redirected according to the type of information requested.
- 9.2 The following table indicates how those enquiries will be dealt with between the Fundraising Regulator, the Institute of Fundraising and the Charity Commission.

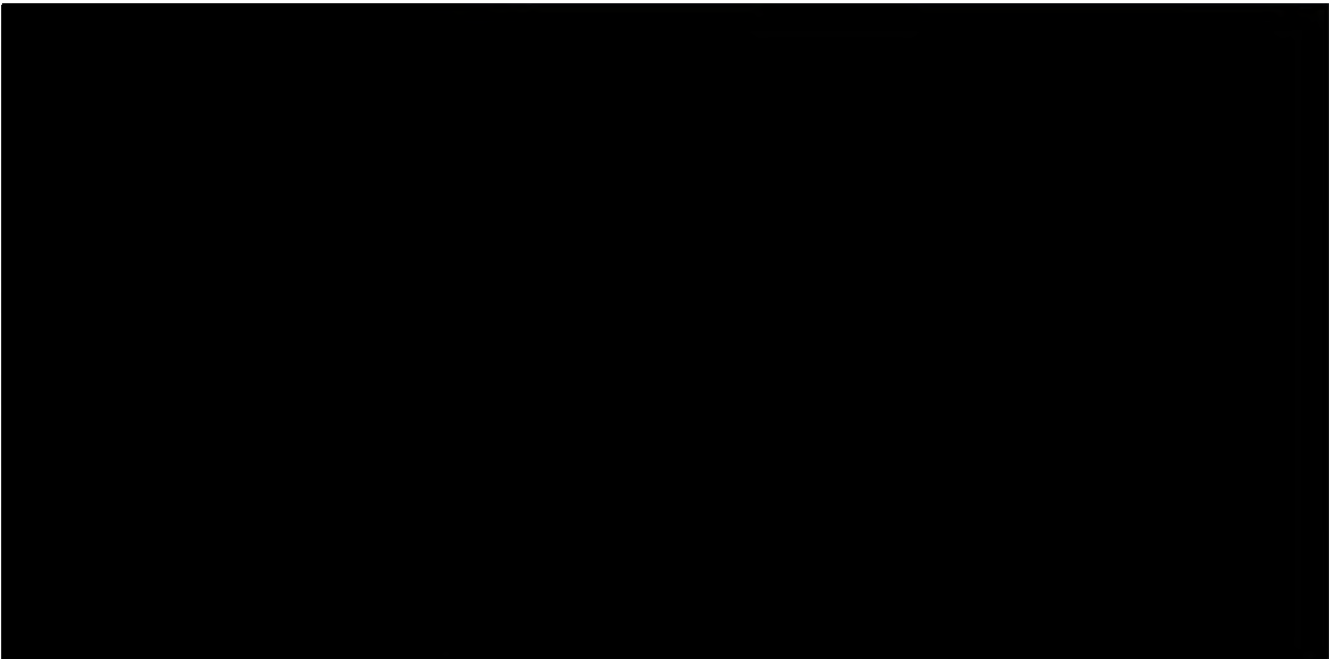
<b>Fundraising Regulator</b>	<b>Institute of Fundraising</b>	<b>Charity Commission</b>
Information and advice about fundraising rules (the Code of Fundraising Practice), and other regulations	Information and advice on how to support a cause or the fundraising techniques of charities	Information and advice about setting up a charity
Information and advice on giving safely	Information and advice on how to fundraise, fundraising tips/ideas, advice, or information about research	Information and advice on running a charity
Concerns about fundraising practice	Information about fundraising more effectively	Information and advice on charity governance
Information on how to support good fundraising practice		Information and advice on charity law

## **Section 10 - Operation of the MoU and review**

- 10.1 Both organisations are committed to the principles of continuous improvement and therefore will monitor the working arrangements contained in this agreement.
- 10.2 The Fundraising Regulator and the Institute will monitor the operation of this memorandum and will review it, initially after 1 year from the date of this document, and subsequently at intervals no longer than every five years, examining all aspects of the agreement in order to identify areas for improvement and best practice. Representatives of the Fundraising Regulator and the IoF will meet when necessary, and there will be at least one formal

policy meeting per year. Any changes to this memorandum identified between reviews may be agreed in writing between the parties.

- 10.3 Whilst it is intended that the arrangements in this agreement should apply generally, it is recognised that some circumstances will require special handling. Nothing in this agreement prevents the making of arrangements to meet specific exceptional needs.
- 10.4 The Regulator and IoF commit to an annual meeting of senior staff to ensure the priorities and plans of both organisations are aligned as appropriate.
- 10.5 Any disagreement arising from the interpretation of this agreement will be referred to the Chief Executives of the Fundraising Regulator and the Institute of Fundraising, who will endeavour to resolve it within the spirit implicit in the co-operation arrangements. The agreement will be amended if necessary to reflect the agreed outcome of the referral.



Date original memorandum signed:	October 2016
Date of latest review:	March 2018